

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

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S.P. 587

In Senate, May 11, 1989

Reference to the Committee on Legal Affairs suggested and ordered printed.

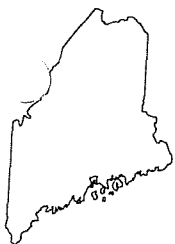
Joy J. O'Brien
JOY J. O'BRIEN
Secretary of the Senate

Presented by President PRAY of Penobscot.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-NINE

An Act to Amend Campaign Finance Reporting.



1 **Be it enacted by the People of the State of Maine as follows:**

3 **Sec. 1. 21-A MRSA §1003, sub-§§1 and 2,** as enacted by PL 1985,
5 c. 161, §6, are amended to read:

7 **1. Investigations.** The commission may investigate to
9 determine the facts concerning the registration of any campaign
11 committee or political action committee and contributions by or
13 to and expenditures by any person, candidate, campaign committee
15 or political action committee. For this purpose, the commission
 may subpoena witnesses and records and take evidence under oath.
 Any person or political action committee who fails to obey the
 lawful subpoena of the commission or to testify before it under
 oath shall be punished by the Superior Court for contempt on
 application by the Attorney General on behalf of the commission.

17 **2. Investigations requested.** Any person may apply in
19 writing to the commission requesting an investigation concerning
21 the registration of any campaign committee or political action
23 committee and contributions by or to and expenditures by any
25 person, candidate, campaign committee or political action
 committee. The commission shall review the application and shall
 make the investigation if the reasons stated for the request show
 sufficient grounds for believing that a violation may have
 occurred.

27 **Sec. 2. 21-A MRSA §1004, sub-§§1 and 2,** as enacted by PL 1985,
29 c. 161, §6, are amended to read:

31 **1. Contributions and expenditures.** No person, candidate,
33 campaign committee or political action committee may knowingly
 make or accept any contribution or make any expenditure in
 violation of this chapter.

35 **2. False statements.** No person, candidate, treasurer or
37 political action committee may make a false statement in any
 report required by this chapter.

39 **Sec. 3. 21-A MRSA §1012, sub-§2, ¶A,** as enacted by PL 1985, c.
41 161, §6, is amended to read:

43 A. Includes:

45 (1) A gift, subscription, loan, advance or deposit of
47 money or anything of value made for the purpose of
49 influencing the nomination or election of any person to
51 state or county office or for the purpose of
 liquidating any campaign deficit of a candidate, except
 that a loan of money to a candidate by a financial
 institution in this State made in accordance with
 applicable banking laws and regulations and in the
 ordinary course of business is not included;

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(2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make a contribution for such purposes; and

~~(3) Funds received by a candidate or a political committee which are transferred to the candidate or committee from another political committee or other source; and~~

(4) The payment, by any person other than a candidate or a political committee, of compensation for the personal services of other persons which are provided to the candidate or political committee without charge for any such purpose; and

Sec. 4. 21-A MRSA §1012, sub-§3, ¶A, as enacted by PL 1985, c. 161, 6, is amended to read:

A. Includes:

(1) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination or election of any person to political office, except that a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included; or

(2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure; or and

~~(3) The transfer of funds by a candidate or a political committee to another candidate or political committee; and~~

Sec. 5. 21-A MRSA §1012, sub-§4, as amended by PL 1987, c. 160, §1, is repealed.

Sec. 6. 21-A MRSA §1013, as amended by PL 1987, c. 160, §§2 and 3, is further amended to read:

§1013. Treasurer; campaign committees

1. Candidates. A Before a candidate may accept campaign contributions personally or make or authorize campaign expenditures personally, A , the candidate may appoint a treasurer to accept contributions or to make or authorize expenditures, A must register with the commission. Any candidate not required to register earlier shall do so within 5

1 days after qualifying as a candidate, by petition, write-in
2 election or otherwise. In order to register, the candidate who
3 appoints a treasurer must establish a campaign committee, appoint
4 a treasurer and inform the commission of the name of the
5 committee, the name and address of his the treasurer and any
6 officers, the name and address of the candidate making the
7 appointment and the treasurer's term of office, if any, within 7
8 days after the appointment. Any change of a committee's
9 treasurer, or of a treasurer's official address, shall be
10 reported to the commission within 10 days of the change.

11
12 A campaign committee may consist of the candidate alone if the
13 candidate serves as treasurer, but is otherwise unlimited in size
14 and form of organization. A candidate may have only one campaign
15 committee for each election for any office, and must register
16 separately for each election. All contributions accepted and
17 expenditures made or authorized by or on behalf of the candidate
18 to promote the candidacy must be recorded and reported as
19 provided in sections 1016 and 1017.

20
21 ~~2. Authorized political committees. A candidate may~~
22 ~~authorize one or more political committees to promote the~~
23 ~~candidate, including an exploratory committee. Each of these~~
24 ~~political committees must appoint a treasurer before accepting~~
25 ~~any contributions or making or authorizing any expenditures.~~
26 ~~Within 7 days after that appointment, the political committee~~
27 ~~must inform the commission of the name and address of its~~
28 ~~treasurer, the name or title of the committee making the~~
29 ~~appointment and the treasurer's term of office. In addition to~~
30 ~~the registration of its treasurer, a political committee~~
31 ~~authorized by a candidate shall submit the names and addresses of~~
32 ~~all of its officers to the commission, whether or not the~~
33 ~~committee accepts any contributions or makes or authorizes any~~
34 ~~expenditures.~~

35
36 **4. Party committees.** The state, district and county
37 committees of parties shall submit to the commission the names
38 and addresses of all their officers and of their treasurers and
39 the name and address of the principal paid employee, if any,
40 within 30 days after the appointment, election or hiring of these
41 persons.

42 The state committee of a party may submit a consolidated report,
43 including the information required under this subsection for the
44 district, county and municipal committees of that party.

45
46 **Sec. 7. 21-A MRSA §1014, sub-§1, as amended by PL 1987, c.**
47 **188, §17, is further amended to read:**

48
49 **1. Authorized by candidate.** Whenever any person makes an
50 expenditure to finance communications expressly advocating the
51 election or defeat of a clearly identified candidate through

1 broadcasting stations, newspapers, magazines, outdoor advertising
2 facilities, direct mails and other similar types of general
3 public political advertising and through flyers, handbills,
4 bumper stickers and other nonperiodical publications, the
5 communication, if authorized by a candidate, a candidate's
6 authorized political committee or their agents, must clearly and
7 conspicuously state that the communication has been so authorized
8 and must clearly state the name and address of the person who
9 made or financed the expenditure for the communication. By rule,
10 the commission may exempt campaign articles from the disclosure
11 requirement of this subsection where inclusion of the disclosure
12 statement would necessarily be so small as to be illegible, or
13 would otherwise be infeasible.

14 ~~An expenditure which results in a violation of this subsection~~
15 ~~may result in a penalty of no more than \$100 if the violation is~~
16 ~~not corrected within 10 days after the candidate receives~~
17 ~~notification of the violation from the commission. Enforcement~~
18 ~~and collection procedures shall be in accordance with section~~
19 ~~1020.~~

20

21 **Sec. 8. 21-A MRSA §1014, sub-§4 is enacted to read:**

22

23 4. Enforcement. An expenditure, communication or broadcast
24 which results in a violation of this section may result in a
25 civil penalty of no more than \$100. Enforcement and collection
26 procedures shall be in accordance with section 1020.

27

28 **Sec. 9. 21-A MRSA §1015, sub-§§2, 4, 5 and 6, as enacted by PL**
29 **1985, c. 161, §6, are amended to read:**

30

31 **2. Committees; corporations; associations.** No political
32 committee, ~~other party~~ committee, corporation or association may
33 make contributions to a candidate, in support of the candidacy of
34 one person, aggregating more than \$5,000 in any election.

35

36 **4. Campaign committees; intermediaries.** For the purpose of
37 the limitations imposed by this section, contributions made to
38 ~~any political~~ the campaign committee authorized established by a
39 candidate ~~to accept contributions on the candidate's behalf~~ are
40 considered to be contributions made to that candidate.

41

42 For the purposes of the limitations imposed by this section, all
43 contributions made by a person, either directly or indirectly, on
44 behalf of a particular candidate, including contributions which
45 are in any way earmarked or otherwise directed through an
46 intermediary or conduit to the candidate, are considered to be
47 contributions from that person to the candidate. The intermediary
48 or conduit shall report the original source and the intended
49 recipient of the contribution to the commission and to the
50 intended recipient.

51

1 5. **Other contributions and expenditures.** ~~Expenditures~~ Any
2 expenditure made by any person in cooperation, consultation or
3 concert with, or at the request or suggestion of, a candidate, a
4 candidate's ~~political~~ campaign committee or their agents are is
5 considered to be a contribution to that candidate.

7 The financing by any person of the dissemination, distribution or
8 republication, in whole or in part, of any broadcast or any
9 written or other campaign materials prepared by the candidate,
10 the candidate's ~~political~~ campaign committee ~~or--committees~~ or
11 their authorized agents is considered to be a contribution to
12 that candidate.

13 6. **Prohibited expenditures.** A candidate, a ~~political~~
14 campaign committee, a party or party committee, a person required
15 to file a report under this subchapter or their authorized agents
16 may not make any expenditures for liquor to be distributed to or
17 consumed by voters while the polls are open on election day. No
18 candidate's campaign committee may donate or expend per election
19 more than \$5,000 of its own funds to support the candidacy of any
20 other candidate.

23 **Sec. 10. 21-A MRSA §1016**, as enacted by PL 1985, c. 161, §6,
24 is amended to read:

25 **§1016. Records**

27 Each treasurer ~~or--each--candidate~~ shall keep detailed records
28 of all contributions received and of each expenditure which the
29 treasurer or candidate makes or authorizes, as provided in this
30 section. When reporting contributions and expenditures to the
31 commission as required by section 1017, the treasurer shall
32 certify the completeness and accuracy of the information reported.

35 1. **Segregated funds.** All funds of a ~~political~~ campaign
36 committee must be segregated from, and may not be commingled
37 with, any personal funds of the candidate, officers, members or
38 associates of the committee. Personal funds of the candidate
39 used to support the candidacy must be recorded as contributions
40 to the campaign committee.

41 2. **Account of contributions.** Every person who receives a
42 contribution in excess of \$10 for a candidate ~~or--a--political~~
43 ~~committee~~ shall give the treasurer ~~or--candidate~~ of the
44 candidate's campaign committee a detailed account of the
45 contribution on demand of the treasurer or candidate and in any
46 event within 5 days after receiving the contribution. This
47 account must include the amount of the contribution, the name and
48 address of the person making the contribution and the date on
49 which the contribution was received.

1 3. Record keeping. A treasurer ~~or a candidate~~ shall keep a
detailed and exact account of:

3
5 A. All contributions made to or for the candidate ~~or~~
committee, including any contributions by the candidate;

7 B. The name and address of every person making a
contribution in excess of \$10, the date and amount of that
9 contribution and, if a person's contributions ~~in any report~~
~~filing period~~ aggregate more than \$50, the account must
11 include the aggregate amount, the contributor's occupation
and his principal place of business, if any. If the
13 contributor is the candidate or a member of the candidate's
immediate family, the account must also state the
15 relationship. ~~For purposes of this paragraph, "filing~~
~~period" is as provided in section 1017, subsection 3,~~
17 ~~paragraph A;~~

19 C. All expenditures made by or on behalf of the committee
or candidate; and

21 D. The name and address of every person to whom any
23 expenditure is made and the date and amount of the
expenditure.

25 4. Receipts preservation. A treasurer ~~or a candidate~~ shall
27 obtain and keep a receipted bill, stating the particulars, for
every expenditure in excess of \$50 made by or on behalf of a
29 political campaign committee or a candidate and for any such
expenditure in a lesser amount if the aggregate amount of those
31 expenditures to the same person in any election exceeds \$50. The
treasurer or candidate shall preserve all receipted bills and
33 accounts required to be kept by this section for 2 years
following the final report required to be filed for the election
35 to which they pertain, unless otherwise ordered by the commission
or a court.

37 Sec. 11. 21-A MRSA §1017, as amended by PL 1987, c. 726, §§1
39 and 2, is further amended to read:

41 §1017. Reports by candidates

43 1. Federal candidates. ~~Each candidate for federal office~~
~~and the~~ The treasurer of the political campaign committee ~~or~~
45 ~~committees~~ of each candidate for federal office shall file with
the commission a copy of the complete report required of them
47 under federal law on the same date that those reports are
required to be filed under federal law.

49 2. Gubernatorial candidates. ~~Each candidate for the office~~
~~of Governor or the candidate's treasurer and the~~ The treasurer of
51 ~~each political~~ the campaign committee ~~authorized by the~~ of each

1 candidate for the office of Governor shall file reports with the
2 commission as follows. Once the first required report has been
3 filed, each subsequent report must cover the period from the
4 completion date of the prior report filed.

5
6 A. In any calendar year, other than a gubernatorial
7 election year, ~~in which the candidate and~~ when the
8 candidate's political campaign committee or committees has
9 received contributions in excess of \$1,000 or made
10 expenditures in excess of \$1,000, reports shall be filed not
11 later than 5 p.m. on July 15th of that year and January 15th
12 of the following calendar year and must be complete as of
13 the close of the calendar year for which the report is
14 filed. These reports must include all contributions made to
15 and all expenditures made by the campaign committee as of
16 the end of the preceding month, except those covered by a
17 previous report.

18 B. Reports shall be filed not later than 5 p.m. on the 42nd
19 day before the date on which an election is held and must be
20 complete as of the 49th day before that date. If no report
21 was filed under paragraph A, the report required under this
22 paragraph must cover ~~the 6 months immediately preceding~~ all
23 contributions and expenditures through the completion date.

24 C. Reports shall be filed not later than 5 p.m. on the 7th
25 6th day before the date on which an election is held and
26 must be complete as of the 11th 12th day before that date.

27 D. Any contribution ~~or expenditure~~ of \$1,000 or more, made
28 after the 11th 12th day and more than 48 hours before any
29 election, shall be reported within 48 hours of that
30 contribution ~~or expenditure~~ , or by noon of the first
31 business day after the contribution, whichever is later.

32 E. Reports shall be filed not later than 5 p.m. on the 42nd
33 day after the date on which an election is held and must be
34 complete for the ~~entire election campaign~~ filing period as
35 of the 35th day after that date.

36 F. Unless further reports will be filed in relation to a
37 later election in the same calendar year, the disposition of
38 any surplus or deficit in excess of \$50 shown in the reports
39 described in paragraph E shall be reported quarterly as
40 follows. A campaign committee with a surplus or deficit in
41 excess of \$50 shall file reports semiannually to the
42 commission within 15 days following the end of each quarter
43 the 2nd and 4th quarters of the State's fiscal year, until
44 the surplus is disposed of or the deficit is liquidated. The
45 first report is not required until the 15th day of the
46 quarter period beginning at least 90 days from the date of
47 the election. The reports may either be filed in person

1 with the commission on that date or postmarked by ~~that time~~
2 on that date. The reports must set forth any contributions
3 for the purpose of liquidating the deficit, in the same
4 manner as contributions are set forth in other reports
5 required in this section. A surplus exceeding \$50 may only
6 be disposed of by pro rata distribution to the campaign
7 committee's contributors, by gift to a political party
8 qualified within this State, including any county or
9 municipal subdivision of such a party, by unrestricted gift
10 to the State, by transferring the surplus balance to a
11 campaign committee established to promote the same candidate
12 for a subsequent election to the same office, or by the
13 committee retaining the surplus balance to promote the same
14 candidate for a subsequent election to the same office. The
15 choice shall be made by the candidate for whose benefit the
16 contributions were made, and distributions of the entire
17 surplus by one or more of these methods must be completed
18 before the next general or special election to fill the same
19 office occurring in a subsequent calendar year.

21 G. Unless otherwise specified in this subsection, reports
22 must be complete back to the completion date of the previous
23 report. The report described in paragraph E, if filed with
24 respect to a primary election, is considered a previous
25 report in relation to reports concerning a general election.

27 H. Reports with respect to a candidate who seeks nomination
28 by petition for the office of Governor shall be filed on the
29 same dates that reports must be filed with respect to a
30 candidate who seeks that nomination by primary election.

31 ~~3. -- Other candidates. -- Each candidate for state or county~~
32 ~~office, other than the office of Governor, or the candidate's~~
33 ~~treasurer and the treasurer of each political committee~~
34 ~~authorized by a candidate shall file reports with the commission~~
35 ~~as follows.~~

37 ~~A. -- Reports shall be filed not later than 5 p.m. on the 7th~~
38 ~~day before the date on which an election is held and must be~~
39 ~~complete as of the 11th day before that date. -- The first~~
40 ~~reports filed in a year in which an election is held must~~
41 ~~include all contributions made to and all expenditures made~~
42 ~~by the candidate or committee as of the completion date and~~
43 ~~must cover not less than the 6 months immediately preceding~~
44 ~~the completion date. -- If a previous report was filed, the~~
45 ~~report must cover the period from the last completion date.~~
46 ~~Other reports must be complete for the filing period. -- A~~
47 ~~filing period is that period of time from one completion~~
48 ~~date to the next completion date.~~

51 ~~B. -- Any contribution or expenditure of \$1,000 or more, made~~
52 ~~after the 11th day and more than 48 hours before any~~

1 election, shall be reported within 48 hours of that
2 contribution or expenditure.

3
4 C. Reports shall be filed not later than 5 p.m. on the 42nd
5 day after the date on which an election is held and must be
6 complete for the filing period as of the 35th day after that
7 date.

8
9 D. Unless further reports will be filed in relation to a
10 later election in the same calendar year, the disposition of
11 any surplus or deficit in excess of \$50 shown in the reports
12 described in paragraph C shall be reported quarterly to the
13 commission within 15 days following the end of each quarter
14 of the State's fiscal year, until the surplus is disposed of
15 or the deficit is liquidated. The first report is not
16 required until the 15th day of the quarter beginning at
17 least 90 days from the date of the election. The reports
18 must set forth any contributions for the purpose of
19 liquidating the deficit, in the same manner as contributions
20 are set forth in other reports required in this section. The
21 reports may be either filed in person with the commission on
22 that date or postmarked by that time on that date.

23
24 3-A. Other candidates. The campaign committee treasurer of
25 each candidate for state or county office, other than the office
26 of Governor, shall file reports with the commission as follows.
27 Once the first required report has been filed, each subsequent
28 report must cover the period from the completion date of the
29 prior report filed.

30
31 A. In any calendar year in which no election for the
32 candidate's particular office is scheduled, and any
33 candidate's campaign committee has received contributions in
34 excess of \$500 or made expenditures in excess of \$500, 2
35 reports shall be required. The first report shall be due no
36 later than 5 p.m. on July 15th. The 2nd report shall be due
37 no later than 5 p.m. on December 31st. These reports must
38 include an aggregate report of all contributions made to and
39 all expenditures made by the campaign committee.

40
41 B. In any calendar year in which an election is held:

42
43 (1) Two reports shall be filed. The first shall be
44 filed no later than 5 p.m. on the 42nd day before the
45 date on which the election is held. The 2nd report
46 shall be filed no later than 5 p.m. on the 6th day
47 before the election is held. The reports must include
48 an aggregate accounting of all contributions made to
49 and all expenditures made by the campaign committee
50 through the date of the report;

1 (2) Any contribution of \$1,000 or more in the State
3 Senate campaign, or \$500 or more in a campaign for the
 State House of Representatives or for county office,
5 which is received 7 or fewer days prior to the election
 shall be reported within 48 hours of that contribution;

7 (3) Forty-two days following an election, a report
 shall be filed not later than 5 p.m. That report must
9 include an aggregate accounting of all contributions
 and expenditures and must be complete as of the date of
11 the report. That report shall also constitute the
 official end of the campaign for that election. Any
13 funds expended or contributed after that date, unless
 specifically indicated as pertaining to an earlier
15 election, shall be considered contributions to the
 candidate's next campaign for the same office. Any
17 candidate intending to run for reelection must state
 that intention at the time that this report is filed;
19 and

21 (4) Any surplus or deficit in excess of \$50, shown in
 the reports described in this section, may be disposed
23 of as follows. A campaign committee with a surplus or
 deficit in excess of \$50, for a candidate planning to
25 seek reelection to the same office, shall file 2
 reports with the commission as defined in paragraph A.
27 Any candidate with a deficit must report any
 contributions for the purpose of liquidating the
29 deficit in the same manner as contributions are set
 forth in other reports required in this section. A
31 surplus exceeding \$50 for a candidate who does not plan
 to seek reelection for the same office may only be
33 disposed of by pro rata distribution to the campaign
 committee's contributors, by gift to a political party
35 qualified within this State including any county or
 municipal subdivision of that party or by unrestricted
37 gift to the State.

39 C. Reports with respect to a candidate who seeks nomination
 by petition shall be filed on the same dates that reports
41 must be filed by a candidate for the same office who seeks
 that nomination by primary election.

43 4. New candidate or nominee. A candidate for nomination or
45 a nominee chosen to fill a vacancy under chapter 5, subchapter
 III, shall file a campaign report under this section within 15
47 days after his the candidate's appointment and thereafter on the
 appropriate schedule under this section. The commission shall
49 send notification of this requirement and report forms to the
 candidate immediately upon his notice of the candidate's
51 appointment.

1 **5. Content.** A report required under this section must
2 contain the itemized accounts of contributions received during
3 that report filing period, including the date of contribution and
4 the name, address, occupation and principal place of business, if
5 any, of each person who has made a contribution or contributions
6 aggregating in excess of \$50 ~~for that report filing period.~~ Each
7 report must show the total contributions of each person who has
8 contributed more than \$50. It must contain the itemized
9 expenditures made or authorized, the date and purpose of each
10 expenditure and the name of each payee and creditor. Total
11 contributions with respect to an election of less than \$500 and
12 total expenditures of less than \$500 need not be itemized. The
13 report must contain a statement of any loan of money ~~in an~~
14 ~~aggregate amount of \$500 or more~~ to a candidate by a financial
15 institution made during the period covered by the report, whether
16 or not the loan is defined as a contribution under section 1012,
17 subsection 2, paragraph A. The candidate is responsible for the
18 timely and accurate filing of each required report.

19 **5-A. Valuation of contributions sold at auction.** Any
20 contribution received by a candidate that is later sold at
21 auction shall be reported in the following manner.

22 A. If the contribution is sold at auction before the
23 commencement of the appropriate reporting period specified
24 in subsections 1 to 4, or during that period, the value of
25 the contribution is deemed to be the amount of the purchase
26 price paid at auction.

27 B. If the contribution is sold after the termination of the
28 appropriate reporting period specified in subsections 1 to
29 4, the value of the contribution is deemed to be the
30 difference between the value of the contribution as
31 originally reported by the candidate and the amount of the
32 purchase price paid at auction. Unless further reports are
33 filed in relation to a later election in the same calendar
34 year, the disposition of any net surplus or deficit in
35 excess of \$50 resulting from the difference between the
36 auction price and the original contribution value shall be
37 reported in the same manner as provided in subsection 2,
38 paragraph F or subsection 3, paragraph D, as appropriate.

39 **6. Forms.** Reports required by this section must be on
40 forms prescribed by the commission, ~~prepared by the Secretary of~~
41 ~~State~~ and sent by the commission to the each registered candidate
42 at least 7 days before the filing date for the report. Persons
43 filing reports may use additional pages if necessary, but the
44 pages must be the same size as the pages of the form. Although
45 the commission mails the forms for required reports, failure to
46 receive forms by mail does not excuse committees, candidates and
47 other persons who must file reports from otherwise obtaining the
48 forms.

1
3 **Sec. 12. 21-A MRSA §1018, sub-§2, ¶¶B and C**, as enacted by PL
1985, c. 161, §6, are amended to read:

5 B. This report must contain an itemized account of each
7 such contribution or expenditure aggregating in excess of
\$50 in any election, the date and purpose of each and the
9 name of each payee or creditor. Total contributions or
expenditures of less than \$500 in any election need not be
itemized.

11 C. Reports required by this subsection must be on forms
13 prescribed by the commission, ~~prepared by the Secretary of~~
~~State and sent by the commission to the candidate at least 7~~
15 ~~days before the filing date for the report.~~ Persons filing
these reports may use additional pages if necessary, but the
17 pages must be the same size as the pages of the form.
19 ~~Although the commission mails the forms for required~~
~~reports, failure to receive forms by mail does not excuse~~
21 ~~committees, candidates and other persons who must file~~
~~reports from otherwise obtaining the forms.~~

23 **Sec. 13. 21-A MRSA §1019, first ¶**, as enacted by PL 1985, c.
161, §6, is amended to read:

25 Each person, other than a ~~candidate~~, a candidate's
27 ~~authorized political~~ campaign committee or a party committee, who
makes contributions or expenditures, aggregating in excess of \$50
29 in an election, that expressly advocate the election or defeat of
a clearly identified candidate, other than by contribution to a
31 ~~candidate or~~ a candidate's ~~authorized political~~ campaign
committee, shall file a report with the commission.

33 **Sec. 14. 21-A MRSA §1019, sub-§§2 and 3**, as enacted by PL 1985,
35 c. 161, §6, are amended to read:

37 2. **Content.** This report must contain an itemized account
of each contribution or expenditure aggregating in excess of \$50
39 in any election, the date and purpose of each and the name of
each payee or creditor. Total contributions or expenditures of
41 less than \$500 in any election need not be itemized. The report
must state whether the contribution or expenditure is in support
43 of or in opposition to the candidate and must include, under
penalty of perjury, as provided in Title 17-A, section 451, a
45 statement under oath or affirmation whether the expenditure is
made in cooperation, consultation or concert with, or at the
47 request or suggestion of, any candidate or any authorized
committee or agent of a candidate. Any membership organization or
49 corporation which makes a communication to its members or
stockholders expressly advocating the election or defeat of a
51 clearly identified candidate must report any expenditures
aggregating in excess of \$50 for such a communication in any

1 election, whether or not the communication is defined as an
2 expenditure under section 1012, subsection 5, paragraph C.

3
4 3. **Forms.** Reports required by this section must be on
5 forms prescribed by the commission ~~and prepared by the Secretary~~
6 ~~of State~~ and, in the case of ~~quarterly~~ semiannual reports, sent
7 by the commission to the person at least 7 days before the filing
8 date for the report. Persons filing these reports may use
9 additional pages if necessary, but the pages must be the same
10 size as the pages of the form. Although the commission mails the
11 forms for required reports, failure to receive forms by mail does
12 not excuse committees, candidates and other persons who must file
13 reports from otherwise obtaining the forms.

14 **Sec. 15. 21-A MRSA §1020**, as enacted by PL 1985, c. 161, §6,
15 is repealed and the following enacted in its place:

16 **§1020. Failure to file on time**

17
18 1. **Registration.** Any candidate who fails to register with
19 the commission within the time allowed by section 1013,
20 subsection 1, shall be assessed a penalty of \$50.

21
22 2. **Campaign finance reports.** A campaign finance report is
23 not timely filed unless a properly signed copy of the report,
24 substantially conforming to the disclosure requirements of this
25 subchapter, is received by the commission before 5 p.m. on the
26 date it is due. The commission shall determine whether a
27 required report satisfies these requirements for timely filing
28 and, if determined to be late, the number of days of lateness.
29 If the reason for the late filing is that forms required to be
30 sent by the commission were not postmarked at least 7 days before
31 the filing date, the period for filing shall be increased by the
32 deficiency without penalty.

33
34 A. There is a penalty of \$100, plus an additional penalty
35 of \$50 for each business day beginning with the 2nd such day
36 that a campaign finance report required to be filed under
37 this subchapter is late, up to a maximum of \$500, except in
38 the case of a report due 6 days before an election, in which
39 case the maximum total penalty is \$1,000.

40
41 B. A notice of lateness shall be sent to candidates and
42 treasurers registered with the commission whose campaign
43 finance reports are not received within 2 days of the filing
44 deadline. That notice shall be sent on the 3rd day
45 following the deadline.

46
47 C. A late report filed within 10 days of any deadline,
48 except a report required to be filed 6 days before an
49 election, is not subject to penalty. A report required to
50 be filed 6 days before an election which is sent by
51

1 certified or registered United States mail and postmarked at
3 least 2 days before the deadline is not subject to penalty.
5 Any required report may be provisionally filed by
7 transmission of a facsimile copy of the duly executed report
9 to the commission, as long as an original of the same report
11 is received by the commission within 5 calendar days
13 thereafter. Reports filed after the applicable grace period
15 are subject to penalties from the original filing deadline.

17 D. The commission, upon determining that a report is late,
19 shall notify the Secretary of State of the lateness. The
21 Secretary of State has the initial responsibility for
23 collecting the full amount of any penalty within 30 days
25 after receiving notice of a report's lateness from the
27 commission. The Secretary of State shall have all necessary
29 powers to carry out this responsibility.

31 3. Enforcement. Failure to pay the full amount of any
33 penalty levied under this section is a civil violation by the
35 candidate, political party or other person whose campaign finance
37 activities are required by this subchapter to be reported.
39 Thirty days after receiving notice of the lateness of any report,
41 the Secretary of State shall report to the Attorney General the
43 name of any person who has failed to pay the full amount of the
45 penalty. The Attorney General shall enforce the violation in a
47 civil action to collect the full amount outstanding of the
49 penalty. This action shall be brought in the Superior Court for
51 the County of Kennebec or the District Court, 7th District,
Division of South Kennebec.

Sec. 16. 21-A MRSA §1052, sub-§1, ¶¶D and E, as enacted by PL 1985, c. 161, §6, are amended to read:

D. Legislation expressly conditioned upon ratification by a referendum vote under the Constitution of Maine, Article IV, Part Third, Section 19; and

E. The ratification of the issue of bonds by the State or any agency thereof, and

Sec. 17. 21-A MRSA §1052, sub-§1, ¶F is enacted to read:

F. Any county referendum.

Sec. 18. 21-A MRSA §1052, sub-§5, ¶A, as amended by PL 1985, c. 614, §23, is further amended to read:

A. Includes:

(1) Any separate or segregated fund established by any corporation, membership organization, cooperative or labor organization whose purpose is to influence the

1 outcome of an election including a candidate or
question;

3 (2) Any person which ~~which-serves~~ serving as a funding and
5 transfer mechanism and by which moneys are expended to
7 initiate, advance, promote, defeat, or influence in any
way ~~or-initiate~~ a candidate, campaign, political party,
referendum or initiated petition in this State; and

9 (3) Any person who makes expenditures other than by
11 contribution to a political action committee, for the
purpose of the initiation, promotion or defeat of any
13 question; and

15 **Sec. 19. 21-A MRSA §1052, sub-§5, ¶B,** as enacted by PL 1985, c.
161, §6, is amended to read:

17 B. Does not include:

19 (1) A candidate or a candidate's ~~treasurer~~ campaign
21 committee established under section 1013, subsection 1;
or

23 ~~(2) -- A candidate's authorized political committee under~~
25 ~~section 1013, subsection 2, or~~

27 (3) A party committee under section 1013, subsection 4.

29 **Sec. 20. 21-A MRSA §1053, first ¶,** as enacted by PL 1985, c.
161, §6, is amended to read:

31 Every political action committee which makes expenditures in
33 excess of \$50 in any single calendar year to initiate, support,
defeat or influence in any way a campaign, a referendum,
35 initiated petition, candidate, political committee or another
political action committee must register with the commission on
37 forms prescribed by the commission. These forms must include the
following information and any additional information reasonably
39 required by the commission ~~or the Secretary of State~~ to monitor
the activities of political action committees in this State under
41 this subchapter. :

43 **Sec. 21. 21-A MRSA §1053, sub-§1,** as enacted by PL 1985, c.
161, §6, is amended to read:

45 1. Identification of committee. The names and mailing
47 addresses of the committee, its treasurer and its principal
officers, and the identity of any candidate for any
49 constitutional office or who is registered under section 1013 and
who involved in decision making for the political action
51 committee;

1 **Sec. 22. 21-A MRSA §1055**, as enacted by PL 1985, c. 161, §6,
is amended by adding at the end a new paragraph to read:

3 An expenditure, communication or broadcast which results in
5 a violation of this section may result in a civil penalty of no
7 more than \$100. Enforcement and collection procedures shall be
in accordance with section 1020.

9 **Sec. 23. 21-A MRSA §1057, sub-§3**, as enacted by PL 1985, c.
11 161, §6, is amended to read:

13 **3. Record of contributions.** The treasurer of a political
15 action committee must keep a record of all contributions to the
17 committee, by name and mailing address, of each donor and the
19 amount and date of the contribution. This provision does not
21 apply to contributions which do not exceed \$50 each for a general
election, primary election and referendum campaign. When any
donor's contributions to a political action committee exceed \$50,
the record must include the aggregate amount of all contributions
from that donor.

23 **Sec. 24. 21-A MRSA §1059, first ¶**, as enacted by PL 1985, c.
25 161, §6, is amended to read:

27 Political action committees required to register under
section 1053 ~~to file reports~~ shall ~~do so~~ file reports in
29 compliance with this section. All reports must be filed no later
than 5 p.m. on the filing deadline.

31 **Sec. 25. 21-A MRSA §1059, sub-§1**, as enacted by PL 1985, c.
33 161, §6, is amended to read:

35 **1. Periodic reports.** During the year in which an election
is held, committees shall file reports as required by this
37 subsection. The reports required in ~~paragraphs A to C~~ this
subsection must contain: Itemized expenditures required by the
commission to closely monitor the activities of political action
39 committees; aggregate expenditures, by candidate, for the periods
between the filing dates specified; and cumulative aggregated
41 expenditures which must include all preceding reporting periods.
The commission may accept computer printout sheets that contain
the information required by this chapter.

43 ~~A. Primary election reports shall be filed:~~

45 ~~(1) On January 22nd and must be complete as of January~~
47 ~~15th. This report must cover all previous expenditures~~
49 ~~made by the committee to influence, in any way, the~~
~~outcome of a primary election;~~

51 ~~(2) On April 8th and must be complete as of April 1st;~~

1 ~~{3}-- On the 7th day before the date on which a primary~~
3 ~~election is held and must be complete as of the 11th~~
 ~~day before that date; and~~

5 ~~{4}-- On July 22nd and must be complete as of July~~
7 ~~15th. This report must aggregate all expenditures made~~
 ~~to influence, in any way, the outcome of a primary~~
 ~~election.~~

9
11 B. ~~General election reports~~ Reports shall be filed:

13 ~~{1}-- On January 22nd and must be complete as of January~~
15 ~~15th. This report must cover all previous expenditures~~
 ~~made by the committee to influence, in any way, the~~
 ~~outcome of a general election;~~

17 (2) On April 8th and must be complete as of April 1st;

19 (2-A) On the 6th day before the date on which a
21 primary election is held and must be complete as of the
 12th day before that date;

23 (3) On July 22nd and must be complete as of July 15th;

25 (4) On October 8th and must be complete as of October
27 1st;

29 (5) On the 7th 6th day before the date on which a
31 general election is held and must be complete as of the
 11th 12th day before that date; and

33 (6) On December 22nd and must be complete as of
35 December 15th. This report must aggregate, by
 candidate or campaign, all expenditures made to
 influence, in any way, the outcome of a general any
 election.

37
39 ~~C. -- Reports of spending to influence referenda, initiative,~~
 ~~bond issues or constitutional amendment elections shall be~~
 ~~filed.~~

41 ~~{1}-- On January 22nd and must be complete as of January~~
43 ~~15th. This report must cover all previous expenditures~~
45 ~~made by the committee to influence, in any way, the~~
 ~~outcome of a ballot issue campaign;~~

47 ~~{2}-- On April 8th and must be complete as of April 1st;~~

49 ~~{3}-- On July 22nd and must be complete as of July 15th;~~

51 ~~{4}-- On October 8th and must be complete as of October~~
 ~~1st;~~

1
3 ~~(5) -- On the 7th day before the date on which a ballot
question election is held and must be complete as of
the 11th day before that date, and~~

5
7 ~~(6) --- On December 22nd and must be complete as of
December 15th. --- This report must aggregate all
expenditures made to influence, in any way, the outcome
of a ballot question campaign.~~

11 **Sec. 26. 21-A MRSA §1059, sub-§2**, as repealed and replaced by
13 PL 1989, c. 7, Pt. O, §6, is repealed and the following enacted
in its place:

15 2. Nonelection year reports. A political action committee
17 shall file quarterly reports on forms prescribed by the
commission. These reports are due on the 15th day of the month
19 following the close of each calendar quarter of the nonelection
year and must be complete as of the close of the preceding
calendar quarter.

21 **Sec. 27. 21-A MRSA §1059, sub-§3**, as enacted by PL 1985, c.
23 161, §6, is amended to read:

25 3. Report of expenditures made after the 12th day and more
than 48 hours before any election. Any expenditures of \$100 or
27 more, made after the 11th 12th day and more than 48 hours before
any election, shall be reported within 48 hours of that
29 expenditure, or by noon of the first business day after the
expenditure, whichever is later.

31 **Sec. 28. 21-A MRSA §1062**, as enacted by PL 1985, c. 161, §6,
33 is repealed and the following enacted in its place:

35 §1062. Failure to file on time

37 1. Registration. Any political action committee required
to register under section 1053 that fails to do so within 5
39 business days after making expenditures in excess of \$50, or
which fails to provide the information required by the commission
41 for registration, shall be assessed a penalty of \$100.

43 2. Campaign finance reports. A campaign finance report is
not timely filed unless a properly signed copy of the report,
45 substantially conforming to the disclosure requirements of this
subchapter, is received by the commission before 5 p.m. on the
47 date it is due. The commission shall determine whether a
required report satisfies these requirements for timely filing
49 and, if determined to be late, the number of days of lateness.

51 A. There is a penalty of \$250, plus an additional penalty
of \$50 for each business day beginning with the 2nd such day

1 that a campaign finance report required to be filed under
3 this subchapter is late, up to a maximum of \$1,000, except
5 in the case of a report due 6 days before an election, in
7 which case the maximum total penalty is \$2,000.

9 B. A notice of lateness shall be sent to political action
11 committees and treasurers registered with the commission
13 whose campaign finance reports are not received by 2 days
15 after the filing deadline. That notice shall be sent on the
17 3rd day following the deadline.

19 C. A late report filed within 10 days of any deadline,
21 except a report required to be filed within 11 days before
23 an election, is not subject to penalty. A report required
25 to be filed within 11 days before an election which is sent
27 by certified or registered United States mail and postmarked
29 at least 2 days before the deadline is not subject to
31 penalty. Any required report may be provisionally filed by
33 transmission of a facsimile copy of the duly executed report
35 to the commission, as long as an original of the same report
37 is received by the commission within 5 calendar days
39 thereafter. Reports filed after the applicable grace period
41 are subject to penalties from the original filing deadline.

43 D. The commission, upon determining that a report is late,
45 shall notify the Secretary of State of the lateness. The
47 Secretary of State has the initial responsibility for
49 collecting the full amount of any penalty within 30 days
51 after receiving from the commission notice of a report's
lateness. The Secretary of State shall have all necessary
powers to carry out this responsibility.

3 3. Enforcement. Failure to pay the full amount of any
5 penalty levied under this section is a civil violation by the
7 political action committee and its treasurer. Thirty days after
9 receiving notice of the lateness of any report, the Secretary of
11 State shall report to the Attorney General the name of any
13 political action committee which has failed to pay the full
15 amount of any penalty and its treasurer. The Attorney General
17 shall enforce this violation in a civil action to collect the
19 full amount outstanding of the penalty. The action shall be
21 brought in the Superior Court for the County of Kennebec or the
23 District Court, 7th District, Division of Southern Kennebec.

45 **Sec. 29. 30-A MRSA §2502, sub-§1, as enacted by PL 1987, c.**
47 **737, Pt. A, §2 and Pt. C, §106, and as amended by PL 1989, cc. 6**
49 **and 9, is further amended to read:**

49 **1. Reports by candidates.** Title 21-A, sections 1001 to
51 1020 do not apply to a candidate for municipal office in a town.
A candidate for municipal office of a city with a population of
10,000 or more is governed by Title 21-A, sections 1001 to 1020,

1 ~~except that notices of appointment of a treasurer and campaign~~
2 ~~reports must be filed with the municipal clerk instead of the~~
3 ~~Secretary of State~~ substituting the municipal clerk for the
4 Secretary of State and the municipal officers for the commission
5 wherever those terms appear.

7 A. Notwithstanding Title 17-A, section 4-A, a candidate who
8 fails to file a notice or report, as required by this
9 section, is guilty of a Class E crime and shall be punished
10 by a fine of \$5 for every day the candidate is in default or
11 by imprisonment for not more than 30 days, or both.

13 14 15 STATEMENT OF FACT

16 Sections 1, 2, 9, 11, 13, 16 to 19 and 29 make only
17 technical changes or changes in terminology.
18

19 Sections 5 and 6 of the bill limit each candidate to one
20 personal funding organization, referred to as the candidate's
21 campaign committee. Statutory references to any separate person
22 or organization holding the candidate's campaign funds, including
23 the candidate, an exploratory committee and any other authorized
24 political committees, are eliminated. The candidate is required
25 to register the candidate's campaign committee with the
26 commission. Section 10 clarifies the responsibility of the
27 treasurer to maintain campaign finance records. Recordkeeping
28 and enforcement are greatly simplified and dual or multiple
29 reporting is eliminated.
30

31 Section 7 of the bill authorizes the commission to issue
32 limited exemptions to the "paid for and authorized by" disclosure
33 requirement for campaign materials. Sections 7 and 8 extend the
34 penalty for breach of the "paid for and authorized by"
35 requirement to all such violations.
36

37 Sections 3, 4 and 9 of the bill prohibit the contribution of
38 funds from one campaign committee to another and eliminate such
39 transfers from the definitions of contribution and expenditure.
40

41 Section 11 conforms the state law to federal requirements
42 for candidates for federal office.
43

44 Section 11 also makes minor adjustments to the timing of
45 campaign finance reports for candidates for state and county
46 offices. The requirement of post-election quarterly reports
47 showing the disposition of any deficit or surplus is eliminated
48 and replaced by a semiannual reporting requirement. The bill
49 requires that a surplus be carried forward to a future campaign
50 for the same office, distributed on a pro rata basis to campaign
51

1 contributors, donated to a political party or the State or some
2 combination of these options.

3
4 Sections 11, 12 and 14 require reporting of the date of
5 contributions, records of which are already required to be kept.
6 Section 11 also makes clear that the candidate is responsible for
7 the timely and accurate filing of each required report. Sections
8 11 and 23 require reports to show the sum of multiple
9 contributions from the same contributor. Existing law requires
10 treasurers to keep such records and reporting will make
11 enforcement of the limitations on contributions more feasible.

12
13 Sections 11, 12 and 14 relieve the Secretary of State of the
14 obligation of preparing the report forms for the commission and
15 relieve commission staff of any obligation to provide blank
16 reporting forms in advance of reporting deadlines to persons who
17 are required to report, but are unknown to the commission.

18
19 Sections 15 and 28 of the bill adjust and increase penalties
20 for failure to register and file campaign finance reports as
21 required by law, for both candidates and political action
22 committees. The same sections authorize the filing of facsimile
23 campaign finance reports under certain conditions to make timely
24 filing easier.

25
26 Section 20 requires political action committees to identify
27 any candidate for a constitutional office or other state or
28 county elective office who is involved in decision making for
29 that political action committee. Section 22 extends to political
30 action committees a penalty for failure to comply with existing
31 "paid for and authorized by" requirements.

32
33 Section 24 establishes a simpler election year filing
34 schedule for political action committees and makes minor
35 adjustments to the timing of the existing 7-day preelection
36 political action committee reports, to give more time for their
37 preparation and to make timely filing of that report more
38 feasible.

39
40 Section 26 of the bill expands the requirement to report
41 political action committee activity during nonelection years from
42 an annual report to a quarterly report, whether or not the
43 political action committee is active during that period.